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Securities identification code: 6507

June 5, 2019

To our shareholders:

Fuminori Saito  
President

**SINFONIA TECHNOLOGY CO., LTD.**

1-30, Shibadaimon 1-chome, Minato-ku, Tokyo, Japan

## **Notice of the 95th Ordinary General Meeting of Shareholders**

You are cordially invited to attend the 95th Ordinary General Meeting of Shareholders of SINFONIA TECHNOLOGY CO., LTD. (the “Company”), which will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or via the Internet. We ask that you please exercise your voting rights after reviewing the attached Reference Documents for the General Meeting of Shareholders by no later than 5:30 p.m. on Wednesday, June 26, 2019 (Japan Standard Time).

### **Meeting Details**

- 1. Date and time:** Thursday, June 27, 2019 at 10:00 a.m. (Japan Standard Time)
- 2. Venue:** Shiba NBF Tower 7F (The Company’s meeting room)  
1-30, Shibadaimon 1-chome, Minato-ku, Tokyo, Japan
- 3. Purposes:**
  - Items to be reported:**
    1. Business Report and Consolidated Financial Statements for the 95th Term (from April 1, 2018 to March 31, 2019), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Board of Auditors
    2. Non-Consolidated Financial Statements for the 95th Term (from April 1, 2018 to March 31, 2019)
  - Items to be resolved:**
    - Proposal No. 1:** Appropriation of surplus
    - Proposal No. 2:** Election of eight (8) Directors
    - Proposal No. 3:** Adoption of performance-linked stock compensation system for directors

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- Please submit the enclosed voting form to the reception of the venue when you attend the meeting. If you are attending as a proxy, please submit a letter of proxy together with the voting form to the reception of the venue. (Eligibility to be a proxy is limited to one shareholder with voting rights according to the Articles of Incorporation.)
  - Among the documents that must be submitted when giving notice of this meeting, the notes to the consolidated financial statements and the notes to the non-consolidated financial statements are published on the website of the Company (<http://www.sinfo-t.jp/ir/stockholder.htm>) on the Internet under the provisions in law and Article 17 of the Articles of Incorporation. Therefore, they are not given in the attached “95th Term Business Report.” Accordingly, the consolidated financial statements and non-consolidated financial statements given in the attached “95th Term Business Report” are part of the consolidated financial statements and non-consolidated financial statements audited when the audit report was prepared by Accounting Auditors and the Corporate Auditors.
  - We will post any changes made to Reference Documents the General Meeting of Shareholders,

business report, consolidated financial statements and non-consolidated financial statements on the website of the Company (<http://www.sinfo-t.jp/ir/stockholder.htm>).

- Please understand that Directors and employees of the Company will wear light clothes (“Cool Biz”) at the meeting. We ask that shareholders also attend in light clothes.

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Information

#### Proposal No. 1: Appropriation of surplus

Under its basic policy to provide dividends in a continuous and stable manner, the Company proposes the following year-end dividends for the fiscal year under review, taking into account the Company's business performance and financial condition, among other factors.

Matters related to year-end dividends

- (1) Allocation of dividend property to shareholders and total amount thereof  
40 yen per common share of the Company  
Total amount of dividends: 1,189,359,640 yen

(Note) On October 1, 2018, the Company conducted a five -for-one reverse stock split of its common stock. When converting the year-end dividend amount in the previous fiscal year to reflect said stock consolidation, this is the equivalent of 35 yen per share.

As such, this represents substantially 5 yen increase (YoY) in the year-end dividend for the fiscal year under review.

- (2) Effective date of distribution of dividends of surplus  
June 28, 2019

**Proposal No. 2: Election of eight (8) Directors**

The term of eight (8) Directors expires at the close of this General Meeting of Shareholders. As a result, the Company proposes that eight (8) Directors be elected.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	[Reelection]  Shozo Buto (July 19, 1947)  Attendance at Board of Directors' Meetings: 14/14 (100%)	April 1970    Joined the Company June 2003    Director of the Company June 2005    Managing Director of the Company June 2007    Senior Managing Director of the Company June 2009    President of the Company June 2015    Chairman of the Company (present position) June 2018    In charge of Research & Development Center and the Medical Engineering Center (present position)	37,300
	<p><b>[Reasons for nomination of candidate for Director]</b> Mr. Buto has led the Company's management as President since June 2009, and in June 2015 he was appointed Chairman. In his role as Director, he has contributed to the reinforcement of the supervisory function and securing of the effectiveness of the Board of Directors. The Company proposes his continued election as Director after determining he is qualified to make contributions to the supervision of business execution and perpetual enhancements in corporate value by utilizing his wealth of experience and knowledge.</p>		
2	[Reelection]  Fuminori Saito (February 11, 1954)  Attendance at Board of Directors' Meetings: 14/14 (100%)	April 1977    Joined the Company June 2008    Director of the Company June 2011    Managing Director of the Company June 2012    Director & Senior Officer of the Company June 2016    Director & Executive Officer of the Company June 2018    President of the Company (present position)	25,000
	<p><b>[Reasons for nomination of candidate for Director]</b> After serving as a Director at the Company, in June 2018 Mr. Saito assumed the position of President of the Company, through which he leads management to achieve sustainable growth in our corporate value. The Company proposes his continued election as Director after determining he is qualified to make contributions to the supervision of business execution and perpetual enhancements in corporate value by utilizing his wealth of experience and knowledge.</p>		

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	[Reelection] Shin Kawahisa (October 25, 1955) Attendance at Board of Directors' Meetings: 14/14 (100%)	April 1978    Joined Kobe Steel, Ltd. April 2011    Joined the Company June 2012    Officer of the Company June 2014    Senior Officer of the Company June 2015    Director of the Company (present position) June 2018    Executive Officer and General Manager of the Global Business Development Center and in charge of the Sales Operations Administration Department, sales companies, branches, and sales offices, and general supervisor of the Procurement Center, Business Process Innovation Department, Human Resources Department, Management Planning Department, Legal Department, Company-wide Compliance and WAY Promotion Project (present position)	14,400
	<p><b>[Reasons for nomination of candidate for Director]</b> Mr. Kawahisa contributed to operations of the Company, including as a business division supervisor, and currently contributes as Director in charge of realizing its global business strategy and playing a key role in management. The Company proposes his continued election as Director after determining he is qualified to make contributions to the supervision of business execution and perpetual enhancements in corporate value by utilizing his wealth of experience and knowledge.</p>		
4	[Reelection] Shinichi Hirano (May 2, 1955) Attendance at Board of Directors' Meetings: 14/14 (100%)	April 1978    Joined the Company June 2012    Officer of the Company June 2016    Senior Officer of the Company (present position) June 2017    Director of the Company (present position) June 2018    General Manager of the Electrical Products & Systems Division and, in charge of the division's clean transportation equipment business (present position)	11,700
	<p><b>[Reasons for nomination of candidate for Director]</b> Mr. Hirano is currently contributing to the Company as Director in charge of realizing the Company's business strategy, following his involvement in management as an Officer. The Company proposes his continued election as Director after determining he is qualified to make contributions to the supervision of business execution and perpetual enhancements in corporate value by utilizing his wealth of experience and knowledge.</p>		
5	[Reelection] Toshio Miki (January 31, 1959) Attendance at Board of Directors' Meetings: 10/10 (100%)	April 1982    Joined the Company June 2012    Senior Officer of the Company June 2016    President of SINFONIA SHOJI Co., Ltd. June 2016    Resigned from Officer of the Company June 2018    Senior Officer of the Company, General Manager of the Electronics & Precision Products Division (present position)	10,100
	<p><b>[Reasons for nomination of candidate for Director]</b> Mr. Miki is currently achieving results as the President of a subsidiary following his involvement in management as an Officer of the Company and contributes as Director in charge of realizing business strategy. The Company proposes his election as Director after determining he is qualified to make contributions to the supervision of business execution and perpetual enhancements in corporate value by utilizing his wealth of experience and knowledge.</p>		

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions outside the Company	Number of the Company's shares owned
6	[Reelection]  Katsuyuki Sakamoto (April 24, 1969) Attendance at Board of Directors' Meetings: 10/10 (100%)	April 1993      Joined the Company November 2015      Senior Staff Manager of Business Process Innovation Department of the Company (present position) June 2016      General Manager of the Finance Department (present position) July 2017      Manager of the Internal Control Promotion Section, Finance Department of the Company (present position) June 2018      Director of the Company in charge of the Audit Department and general risk management (present position)	2,900
		<b>[Reasons for nomination of candidate for Director]</b> Mr. Sakamoto is currently contributing to the implementation of financial strategy aimed at strengthening the management base following his work in the Accounting Department. The Company proposes his election as Director after determining he is qualified to make contributions to the supervision of business execution and perpetual enhancements in corporate value by utilizing his wealth of experience and knowledge.	
7	[Reelection] [Outside Director]  Kazuo Shigekawa (January 18, 1948) Attendance at Board of Directors' Meetings: 14/14 (100%)	April 1972      Joined Kobe Steel, Ltd. April 1997      President of KOBELCO COMPRESSORS (AMERICA), INC. June 2002      Officer of Kobe Steel, Ltd. April 2004      Senior Officer of Kobe Steel, Ltd. April 2007      Executive Officer of Kobe Steel, Ltd. June 2008      Senior Managing Director of Kobe Steel, Ltd. April 2009      Senior Representative Director of Kobe Steel, Ltd. April 2010      Executive Vice President of Kobe Steel, Ltd. April 2012      Advisor of Kobelco Eco-Solutions Co., Ltd. June 2012      President of Kobelco Eco-Solutions Co., Ltd. June 2015      Advisor of Kobelco Eco-Solutions Co., Ltd. June 2016      Retired as Advisor of Kobelco Eco-Solutions Co., Ltd. June 2017      Outside Director of the Company (part-time) (present position)	0
		<b>[Reasons for nomination of candidate for Outside Director]</b> The Company proposes the election of Mr. Shigekawa as Outside Director after determining he will be able to provide supervision of overall management and effective recommendations based on his broad knowledge and wealth of experience as a corporate manager. He currently serves as Outside Director of the Company, and his tenure as Outside Director will be two (2) years at the close of this general meeting of shareholders.	

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions outside the Company	Number of the Company's shares owned
8	[Reelection] [Outside Director]  Satoshi Mizui (August 9, 1952) Attendance at Board of Directors' Meetings: 10/10 (100%)	<p>April 1975      Joined Nissho Iwai Corporation (now: Sojitz Corporation)</p> <p>July 2002      President of Nissho Iwai Indonesia Corporation (now: PT. Sojitz Indonesia)</p> <p>February 2006      COO of Sojitz Corporation of America</p> <p>April 2006      Officer of Sojitz Corporation</p> <p>April 2011      Senior Officer of Sojitz Corporation</p> <p>April 2014      Executive Officer of Sojitz Corporation</p> <p>October 2015      Executive Vice President Officer of Sojitz Corporation</p> <p>June 2016      Representative Director and Executive Vice President of Sojitz Corporation</p> <p>April 2018      Director of Sojitz Corporation</p> <p>June 2018      Advisor of Sojitz Corporation (present position)</p> <p>June 2018      Outside Director of the Company (part-time) (present position)</p>	0
<p><b>[Reasons for nomination of candidate for Outside Director]</b> The Company proposes the election of Mr. Mizui as Outside Director after determining he will be able to provide supervision of overall management and effective recommendations based on his broad knowledge and wealth of experience as a corporate manager. He currently serves as Outside Director of the Company, and his tenure as Outside Director will be for one (1) year at the close of this general meeting of shareholders.</p>			

Notes:

1. There is no special interest between the candidates and the Company.
2. Mr. Kazuo Shigekawa and Mr. Satoshi Mizui are candidates for Outside Director. The Company has submitted notification to the Tokyo Stock Exchange that Mr. Kazuo Shigekawa and Mr. Satoshi Mizui have been designated as Independent Officers based on the regulations of the Tokyo Stock Exchange, Inc., and if their election is approved, the Company plans to continue to designate them as Independent Officers.
3. The Company has entered into an agreement with Mr. Kazuo Shigekawa and Mr. Satoshi Mizui that limits their liability with the Company pursuant to Article 423, Paragraph 1 of the Companies Act, and the maximum amount of liability under the said agreement are the minimum liability amount as provided in laws and ordinances. If their elections are approved, the company plans to renew the above limited liability agreements with them.

### **Proposal No. 3 Adoption of performance-linked stock compensation system for directors**

This Proposal requests approval for the adoption of a Board Benefit Trust (BBT) as a new performance-linked stock compensation system (hereinafter, "System") for the Company's Directors (excluding Outside Directors within this Proposal unless otherwise noted).

The purpose of this Proposal is to clarify the link between Director's compensation, the Company performance, and stock price to ensure that Directors consider not only the merits of stock price increases but also share the risks of stock price declines with shareholders in order to elevate awareness towards increasing medium- to long-term performance and corporate value. In light of this purpose, we believe the content of this Proposal to be appropriate.

This Proposal is a request for approval of a separate compensation pool for Company Directors in the form of new stock compensation in addition to Director's compensation approved at the 92nd Ordinary General Meeting of Shareholders convened on June 29, 2016 (annual amount of 460 million yen or less (of which, 30 million yen allocated for Outside Directors)). Details of this System shall be within the scope of the framework from (1) to (10) outlined below and an explanation regarding said System shall be entrusted to the Board of Directors.

Furthermore, approval of Proposal No. 2 as is will result in six (6) Directors being eligible for this System.

#### **(1) Overview of System**

This System is a performance-linked stock compensation system that uses capital funded by the Company contributions to acquire the Company stock through a trust (hereinafter, trusts established in accordance with this System to be referred as a "Trust"). Via this Trust, Directors are distributed the Company stock and monetary amounts equivalent to the market price of the Company stock (hereinafter, "Company Stock, etc.") in accordance with director stock benefit regulations established by the Company. Furthermore, in principle, the timing at which Directors receive the Company Stock, etc., shall be upon retirement from the position of Director.

#### **(2) Persons eligible for this System**

Directors excluding Outside Directors

(Note 1)

In addition to the above, we intend to extend eligibility for this System to officers who are not concurrently serving as with managerial duties who are not Directors.

#### **(3) Trust period**

From August 2019 (planned) until the expiration of this Trust (furthermore, no specific termination date shall be designated for this Trust. This Trust shall continue for as long as this System continues. This System shall be terminated in the event the Company stock is delisted from the stock exchange, or the director stock benefit regulations are eliminated.)

#### **(4) Trust fund (amount for compensation, etc.)**

On the condition that this Proposal is approved, the Company shall adopt this System for the two (2) fiscal years consisting of the fiscal period ending on the final day of March 2020 and the fiscal period ending on the final day of March 2021 (hereinafter, these two (2) fiscal periods shall be referred to as the "Initial Applicable Period" and the period consisting of the Initial Applicable Period and each period of three (3) fiscal years starting after elapsing the Initial Applicable Period shall be referred to as the "Applicable Period," respectively) and each subsequent Applicable Period. To distribute the Company Stock, etc. to Directors, the Company shall contribute the following amounts as fund for the acquisition of the Company stock by the Trust.

Initially, at the start of the above mentioned (3) Trust Period, the Company shall contribute to the Trust funds up to the amount of 108 million yen as necessary fund for the Initial Applicable Period.

Furthermore, after the Initial Applicable Period elapses, in principle the Company shall make additional contributions to the Trust of up to 162 million yen for each Applicable Period until the termination of this System. However, in the case where such additional contributions is made, if the Company stock (excluding the Company stock equivalent to the number of points that have been granted to Directors for each most recent Applicable Period and that has yet to be distributed to the directors) and monetary amounts (hereinafter, "Residual Stock, etc.") in the Trust assets, the total amount of Residual Stock, etc. (stock value to be the book value as of the final day of the most recent Applicable Period) and additional contributions shall be up to 162 million yen. Furthermore, the Company shall provide timely and appropriate disclosure when a resolution is passed regarding additional contributions.

(Note 2)

Monetary amounts actually contributed to the Trust by the Company shall be the combined amounts for the



abovementioned necessary fund to distribute Company Stock, etc. to Directors as well as necessary funds to distribute Company Stock, etc. to officers who are not concurrently servicing as Directors.

(5) The Company stock acquisition method and number of shares acquired

The acquisition of Company stock via this Trust shall be made using the fund contributed in accordance with (4) above through the stock exchange or by underwriting the disposal of the Company treasury stock.

Furthermore, for the Initial Applicable Period, up to 100,800 shares shall be acquired without delay immediately following the establishment of the Trust. Timely and appropriate disclosure shall be provided concerning details of the Company stock acquisition via this Trust.

(Note 3)

The abovementioned maximum number of the Company shares shall be the maximum number of the Company shares acquired using the necessary fund to distribute Company Stock, etc. to directors. The number of the Company shares actually acquired via this Trust shall be the total number of the Company shares that includes the number of shares acquired via necessary fund contributed to distribute Company Stock, etc. to officers who are not concurrently serving as Directors outlined in (Note 2) above.

(6) Method for calculating Company Stock, etc. distributed to Directors

Each fiscal year, Directors shall be granted points, number of which is determined in light of factors such as their rank and level of consolidated performance in accordance with the stock benefits regulations. The total number of points granted to a Director for a given fiscal year may be a maximum of 54,000 points. This has been determined based on a comprehensive evaluation of compensation levels for current Directors and trends and future outlook for the number of Directors. We have judged this limit to be appropriate.

Furthermore, when distributing Company Stock, etc., as described (7) below, points granted to Directors are converted as one (1) point is equivalent to one (1) share of the Company's common stock (however, in the event any stock split, allotment shares without contribution, or stock consolidation is conducted after approval of this Proposal, rational adjustments shall be made to the maximum number of points, already granted points, or conversion rates based on the details of said actions).

When allocating Company Stock, etc. as indicated in (7) below, Directors' points to serve as the reference for calculations shall, in principle, be the number of points granted to the Director in question up to the time of retirement (hereinafter, points calculated in this way shall be referred to as "Defined Number of Points").

(7) Distributing Company Stock, etc.

Upon a Director's retirement, in principle, Directors fulfilling the beneficiary requirements set forth in the Director stock benefits regulations may complete prescribed beneficiary confirmation procedures to receive the distribution of the Company stock from the Trust after retirement based on the number of Defined Number of Points determined in accordance with the provisions of (6) above. Furthermore, when fulfilling requirements set forth in the stock benefits regulations, up to a certain ratio Directors may receive payment of a monetary amount equivalent to the market price of the Company stock instead of receiving distribution of the Company stock. Furthermore, Trust may sell the Company stock to fund monetary payments.

(8) Exercising voting rights

Voting rights related to the Company stock retained in the Trust account shall not be exercised uniformly in accordance with the instructions of the Trust administrator. The purpose of this method is to ensure neutrality in the Company management regarding the exercising of voting rights related to Company stock retained in the Trust account.

(9) Handling of dividends

Dividends related to the Company stock retained in the Trust account shall be received by the Trust and applied towards funds for acquiring the Company stock and compensation, etc. for Trust beneficiaries. Furthermore, upon the termination of this Trust, any dividends, etc., remaining in the Trust shall be distributed to existing Directors and officers who are not concurrently serving as Directors at that time based on their respective number of points held.

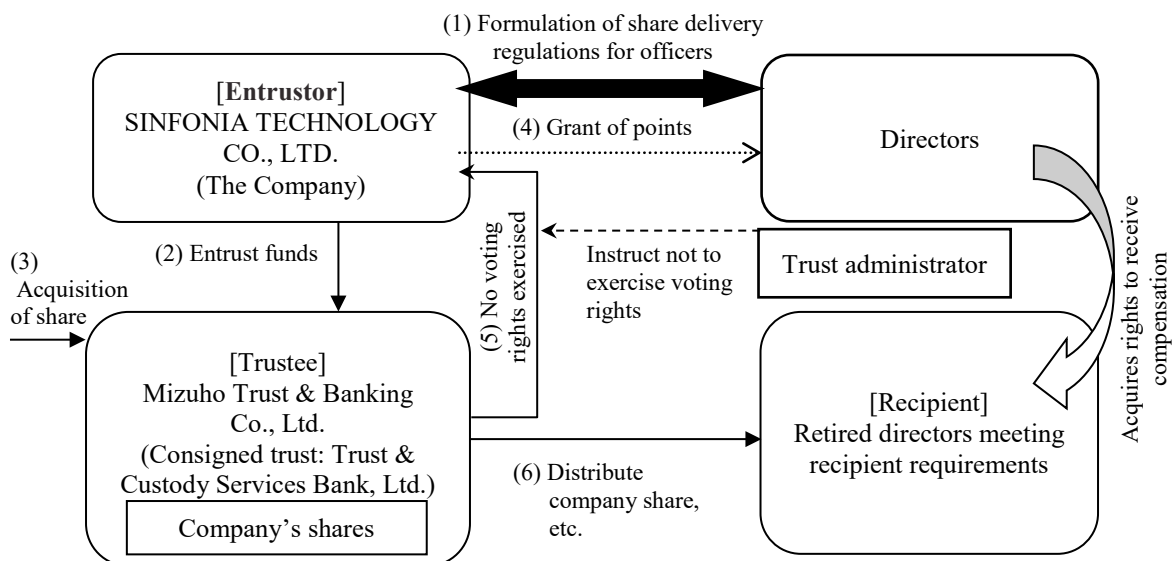
(10) Handling of trust termination

This Trust shall be terminated in the case where grounds such as delisting of the Company stock, or the elimination of director stock benefit regulations have arisen.

Upon termination of the Trust, residual Trust assets in the form of the Company stock shall all be acquired by the Company without contribution and then will be canceled them by a resolution by the Board of Directors. Upon termination of the Trust, residual trust assets in the form of cash shall be distributed to Directors and

officers who are not concurrently serving as Directors in accordance with the provisions of (9) above.

<Reference: System framework>



- (1) The Company shall establish director stock benefits regulations within the scope of the framework approved in accordance with this Proposal.
- (2) The Company shall entrust the money within the scope approved in accordance with this Proposal.
- (3) The Trust shall acquire the Company stock through the stock exchange or by underwriting the disposal of the Company treasury stock using money entrusted as funds.
- (4) The Company shall grant points to Directors in accordance with the director stock benefits regulations.
- (5) The Trust shall, in accordance with the instructions of an independent Trust administrator, not exercise voting rights related to the Company stock retained in the Trust account.
- (6) The Trust shall distribute the Company stock to persons retiring from the position of Director who fulfill the beneficiary requirements set forth in the director stock benefits regulations (hereinafter, "Recipient") based on the number of points granted to that Recipient. Furthermore, when fulfilling requirements set forth in the director stock benefits regulations, up to a certain ratio of points may be distributed a monetary amount equivalent to the market price of the Company stock.